



State of Connecticut  
CONNECTICUT GENERAL ASSEMBLY  
STATE CAPITOL  
HARTFORD, CT 06106-1591

Higher Education and Employment Advancement Committee  
Finance, Revenue and Bonding Committee  
Appropriations Committee  
Commerce Committee  
Public Health Committee

AGENDA  
Joint Informational Hearing  
Regarding the Bio Science Connecticut Initiative  
H. B. 1152, An Act Concerning The University of Connecticut Health Center

Thursday, May 26, 2011

9:30 AM in Room 2C of the LOB

I. CONVENE MEETING

II. REMARKS BY THE CHAIRS

III. Invited Guests:

Lt. Governor Nancy Wyman  
DECD Commissioner Catherine Smith  
Labor Commissioner Glenn Marshall  
UConn President-designate Susan Herbst  
UConn President Philip E. Austin  
Cato T. Laurencin, MD/PhD, Vice President for Health Affairs and Dean of the UConn Medical School

IV. ADJOURNMENT





## Substitute for Raised S.B. No. 1152 Session Year 2011

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### AN ACT CONCERNING THE UNIVERSITY OF CONNECTICUT HEALTH CENTER.

To study issues concerning The University of Connecticut Health Center new construction and renovation and the UConn health network initiatives.

Introduced by: Higher Education and Employment Advancement Committee

#### New today

Text of Bill  
File No. 830 [pdf]  
FIN Joint Favorable Substitute [pdf]  
File No. 339 [pdf]  
HED Joint Favorable [pdf]  
Raised Bill [pdf]

#### 2-4 days old

#### 5 days & older

Committee Actions  
FIN Vote Tally Sheet-B [pdf]  
FIN Vote Tally Sheet-A [pdf]  
FIN Vote Tally Sheet [pdf]  
HED Joint Fav. Rpt  
HED Vote Tally Sheet [pdf]

Fiscal Notes  
Fiscal Note for File Copy 830  
Fiscal Note for File Copy 339

Bill Analyses  
Bill Analysis for File Copy 830  
Bill Analysis for File Copy 339

Add Notes to SB-1152

#### Bill History (in reverse chronological order)

Date	Action Taken
5/20/2011 (LCO)	File Number 830
5/20/2011	Favorable Report, Tabled for the Calendar, Senate
5/20/2011	New File by Committee on Finance, Revenue and Bonding
5/20/2011 (LCO)	Reported Out of Legislative Commissioners' Office
5/20/2011 (LCO)	Referred to Office of Legislative Research and Office of Fiscal Analysis 05/25/11 5:00 PM
5/19/2011 (LCO)	Filed with Legislative Commissioners' Office
5/19/2011 (FIN)	Joint Favorable Substitute
5/17/2011	Referred by Senate to Committee on Finance, Revenue and Bonding
4/4/2011 (LCO)	File Number 339
4/4/2011	Senate Calendar Number 224
4/4/2011	Favorable Report, Tabled for the Calendar, Senate
4/4/2011 (LCO)	Reported Out of Legislative Commissioners' Office
3/28/2011 (LCO)	Referred to Office of Legislative Research and Office of Fiscal Analysis 04/04/11 10:00 AM
3/18/2011 (LCO)	Filed with Legislative Commissioners' Office
3/17/2011 (HED)	Joint Favorable
3/10/2011	Public Hearing 03/15
3/8/2011	Referred to Joint Committee on Higher Education and Employment Advancement

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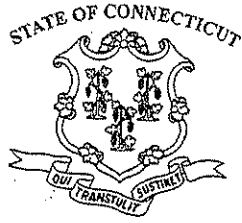
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## Senate

General Assembly

**File No. 830**

January Session, 2011

Substitute Senate Bill No. 1152

*Senate, May 20, 2011*

The Committee on Finance, Revenue and Bonding reported through SEN. DAILY of the 33rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

### **AN ACT CONCERNING THE UNIVERSITY OF CONNECTICUT HEALTH CENTER.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 10a-109b of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective from*  
3 *passage*):

4 (b) The purposes of sections 10a-109gg to 10a-109mm, inclusive, as  
5 amended by this act, and the provisions of sections 10a-109c to 10a-  
6 109e, inclusive, as amended by this act, 10a-109g, 10a-109n and 32-41s  
7 relating to The University of Connecticut Health Center and John  
8 Dempsey Hospital are to advance health care, education and economic  
9 development in the state by (1) encouraging collaboration, innovation,  
10 job creation and new investment by The University of Connecticut,  
11 various hospitals and other institutions involved in the health and  
12 bioscience industries of the state; (2) enabling (A) the construction of a  
13 new bed tower at John Dempsey Hospital, and (B) the renovation of

14 academic, clinical and research space and the construction of a new  
15 ambulatory care center at The University of Connecticut Health Center  
16 to enhance the academic, clinical and research missions of The  
17 University of Connecticut School of Medicine and School of Dental  
18 Medicine; (3) facilitating the assumption of operational control of the  
19 neonatal intensive care unit located at John Dempsey Hospital by  
20 Connecticut Children's Medical Center resulting in a regional  
21 children's health care system and an increased adult medical surgical  
22 bed capacity for John Dempsey Hospital; (4) supporting the  
23 development of (A) a comprehensive cancer center to expand clinical  
24 trials and advance patient care at multiple sites in the Hartford region,  
25 (B) a state-of-the-art simulation and conference center to be located on  
26 the campus of Hartford Hospital that will be used to educate and train  
27 health care professionals utilizing new technologies and simulated  
28 care settings, (C) a primary care institute located on the campus of  
29 Saint Francis Hospital and Medical Center, the Connecticut Institute  
30 for Primary Care Innovation, that is intended to increase the number of  
31 primary care providers in the state by engaging in research and  
32 training to facilitate the effective delivery of primary care, (D) a health  
33 disparities institute sponsored by The University of Connecticut that  
34 will enhance research and the delivery of care to the minority and  
35 medically underserved populations of the state, (E) [an institute for  
36 clinical and translational science to be located on the campus of The  
37 University of Connecticut Health Center, (F) The Connecticut Institute  
38 for Nursing Excellence to be located on the campus of The University  
39 of Connecticut School of Nursing that will explore ways to enhance the  
40 recruitment, education and retention of nurses and nursing faculty,  
41 (G)] a Permanent Regional Phase One Clinical Trials Unit to be located  
42 at The Hospital of Central Connecticut, [(H)] (F) a cancer treatment  
43 center to be located in its entirety within the city of New Britain, and  
44 [(I)] (G) patient room renovations at Bristol Hospital; and (5) fostering  
45 growth in the bioscience sector of the state's economy by extending the  
46 same benefits afforded to businesses located in an enterprise zone to  
47 businesses that are engaged in bioscience and located in the city of  
48 Hartford or certain areas in the town of Farmington, the city of New

49 Britain and the city of Bristol.

50 Sec. 2. Subdivision (32) of section 10a-109c of the general statutes is  
51 repealed and the following is substituted in lieu thereof (*Effective from*  
52 *passage*):

53 (32) "UConn health network initiatives" means the initiatives to  
54 develop a simulation and conference center on the Hartford Hospital  
55 campus, a primary care institute on the Saint Francis Hospital and  
56 Medical Center campus, [an institute for clinical and translational  
57 science on The University of Connecticut Health Center campus,] a  
58 comprehensive cancer center, The University of Connecticut-  
59 sponsored health disparities institute, [The Connecticut Institute for  
60 Nursing Excellence,] a Permanent Regional Phase One Clinical Trials  
61 Unit at The Hospital of Central Connecticut, a cancer treatment center  
62 in the city of New Britain, and patient room renovations at Bristol  
63 Hospital, described in section 10a-109b, as amended by this act.

64 Sec. 3. Subdivision (10) of subsection (a) of section 10a-109d of the  
65 general statutes is repealed and the following is substituted in lieu  
66 thereof (*Effective from passage*):

67 (10) To borrow money and issue securities to finance the acquisition,  
68 construction, reconstruction, improvement or equipping of any one  
69 project, or more than one, or any combination of projects, or to refund  
70 securities issued after June 7, 1995, or to refund any such refunding  
71 securities or for any one, or more than one, or all of those purposes, or  
72 any combination of those purposes, and to provide for the security and  
73 payment of those securities and for the rights of the holders of them,  
74 except that the amount of any such borrowing, the special debt service  
75 requirements for which are secured by the state debt service  
76 commitment, exclusive of the amount of borrowing to refund  
77 securities, or to fund issuance costs or necessary reserves, may not  
78 exceed the aggregate principal amount of (A) for the fiscal years  
79 ending June 30, 1996, to June 30, 2005, inclusive, one billion thirty  
80 million dollars, (B) for the fiscal years ending June 30, 2006, to June 30,  
81 2018, inclusive, one billion [four hundred fifty-seven] seven hundred

82 nineteen million nine hundred thousand dollars, and (C) such  
 83 additional amount or amounts: (i) Required from time to time to fund  
 84 any special capital reserve fund or other debt service reserve fund in  
 85 accordance with the financing transaction proceedings, and (ii) to pay  
 86 or provide for the costs of issuance and capitalized interest, if any; the  
 87 aggregate amounts of subparagraphs (A), (B) and (C) of this  
 88 subdivision are established as the authorized funding amount, and no  
 89 borrowing within the authorized funding amount for a project or  
 90 projects may be effected unless the project or projects are included in  
 91 accordance with subsection (a) of section 10a-109e, as amended by this  
 92 act;

93 Sec. 4. Section 10a-109e of the general statutes is repealed and the  
 94 following is substituted in lieu thereof (*Effective from passage*):

95 (a) The university may administer, manage, schedule, finance,  
 96 further design and construct UConn 2000, to operate and maintain the  
 97 components thereof in a prudent and economical manner and to  
 98 reserve for and make renewals and replacements thereof when  
 99 appropriate, it being hereby determined and found to be in the best  
 100 interest of the state and the university to provide this independent  
 101 authority to the university along with providing assured revenues  
 102 therefor as the efficient and cost effective course to achieve the  
 103 objective of avoiding further decline in the physical infrastructure of  
 104 the university and to renew, modernize, enhance and maintain such  
 105 infrastructure, the particular project or projects, each being hereby  
 106 approved as a project of UConn 2000, and the presently estimated cost  
 107 thereof being as follows:

T1	UConn 2000 Project	Phase I	Phase II	Phase III
T2		Fiscal Years	Fiscal Years	Fiscal Years
T3		1996-1999	2000-2005	2005-2018
T4				
T5	Agricultural Biotechnology			
T6	Facility	9,400,000		
T7				
T8	Agricultural Biotechnology			



T9	Facility Completion	10,000,000	
T10			
T11	Alumni Quadrant		
T12	Renovations	14,338,000	
T13			
T14	Arjona and Monteith		
T15	(new classroom buildings)		66,100,000
T16			
T17	Avery Point Campus		
T18	Undergraduate and		
T19	Library Building		35,000,000
T20			
T21	Avery Point Marine		
T22	Science Research Center -		
T23	Phase I	34,000,000	
T24			
T25	Avery Point Marine		
T26	Science Research Center -		
T27	Phase II	16,682,000	
T28			
T29	Avery Point Renovation	5,600,000	
T30			
T31	Babbidge Library	0	
T32			
T33	Balancing Contingency	5,506,834	
T34			
T35	Beach Hall Renovations		10,000,000
T36			
T37	Benton State Art Museum		
T38	Addition	1,400,000	3,000,000
T39			
T40	Biobehavioral Complex		
T41	Replacement		4,000,000
T42			
T43	Bishop Renovation		8,000,000

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T44			
T45	Budds Building		
T46	Renovation	2,805,000	
T47			
T48	Business School		
T49	Renovation	4,803,000	
T50			
T51	Chemistry Building	53,700,000	
T52			
T53	Commissary Warehouse		1,000,000
T54			
T55	Deferred Maintenance/		
T56	Code/ADA Renovation		
T57	Lump Sum	39,332,000	215,000,000
T58			
T59	Deferred Maintenance &		
T60	Renovation Lump Sum		
T61	Balance	104,668,000	
T62			
T63	East Campus North		
T64	Renovations	11,820,000	
T65			
T66	Engineering Building		
T67	(with Environmental		
T68	Research Institute)		36,700,000
T69			
T70	Equine Center	1,000,000	
T71			
T72	Equipment, Library		
T73	Collections &		
T74	Telecommunications	60,500,000	200,000,000
T75			
T76	Equipment, Library		
T77	Collections &		
T78	Telecommunications		

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T79	Completion	182,118,146	
T80			
T81	Family Studies (DRM)		
T82	Renovation		6,500,000
T83			
T84	Farm Buildings Repairs/		
T85	Replacement		6,000,000
T86			
T87	Fine Arts Phase II		20,000,000
T88			
T89	Floriculture Greenhouse		3,000,000
T90			
T91	Gant Building Renovations		34,000,000
T92			
T93	Gant Plaza Deck	0	
T94			
T95	Gentry Completion		10,000,000
T96			
T97	Gentry Renovation	9,299,000	
T98			
T99	Grad Dorm Renovations	7,548,000	
T100			
T101	Gulley Hall Renovation	1,416,000	
T102			
T103	Hartford Relocation		
T104	Acquisition/Renovation	56,762,020	
T105			
T106	Hartford Relocation Design	1,500,000	
T107			
T108	Hartford Relocation		
T109	Feasibility Study	500,000	
T110			
T111	Heating Plant Upgrade	10,000,000	
T112			
T113	Hilltop Dormitory New	30,000,000	

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T114			
T115	Hilltop Dormitory		
T116	Renovations	3,141,000	
T117			
T118	Ice Rink Enclosure	2,616,000	
T119			
T120	Incubator Facilities		10,000,000
T121			
T122	International House		
T123	Conversion	800,000	
T124			
T125	Intramural, Recreational		
T126	and Intercollegiate Facilities		31,000,000
T127			
T128	Jorgensen Renovation		7,200,000
T129			
T130	Koons Hall Renovation/		
T131	Addition		7,000,000
T132			
T133	Lakeside Renovation		3,800,000
T134			
T135	Law School Renovations/		
T136	Improvements		15,000,000
T137			
T138	Library Storage Facility		5,000,000
T139			
T140	Litchfield Agricultural		
T141	Center - Phase I	1,000,000	
T142			
T143	Litchfield Agricultural		
T144	Center - Phase II	700,000	
T145			
T146	Manchester Hall		
T147	Renovation		6,000,000
T148			

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T149	Mansfield Apartments		
T150	Renovation	2,612,000	
T151			
T152	Mansfield Training School		
T153	Improvements	27,614,000	29,000,000
T154			
T155	Natural History Museum		
T156	Completion		4,900,000
T157			
T158	North Campus Renovation	2,654,000	
T159			
T160	North Campus Renovation		
T161	Completion	21,049,000	
T162			
T163	North Hillside Road		
T164	Completion		11,500,000
T165			
T166	North Superblock Site		
T167	and Utilities	8,000,000	
T168			
T169	Northwest Quadrant		
T170	Renovation	2,001,000	
T171			
T172	Northwest Quadrant		
T173	Renovation	15,874,000	
T174			
T175	Observatory		1,000,000
T176			
T177	Old Central Warehouse		18,000,000
T178			
T179	Parking Garage #3		15,000,000
T180			
T181	Parking Garage - North	10,000,000	
T182			
T183	Parking Garage - South	15,000,000	

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T184			
T185	Pedestrian Spinepath	2,556,000	
T186			
T187	Pedestrian Walkways	3,233,000	
T188			
T189	Psychology Building		
T190	Renovation/ Addition		20,000,000
T191			
T192	Residential Life Facilities		90,000,000
T193			
T194	Roadways	10,000,000	
T195			
T196	School of Business	20,000,000	
T197			
T198	School of Pharmacy/Biology	3,856,000	
T199			
T200	School of Pharmacy/Biology		
T201	Completion	61,058,000	
T202			
T203	Shippee/Buckley		
T204	Renovations	6,156,000	
T205			
T206	Social Science K Building	20,964,000	
T207			
T208	South Campus Complex	13,127,000	
T209			
T210	Stamford Campus		
T211	Improvements		3,000,000
T212			
T213	Stamford Downtown		
T214	Relocation - Phase I	45,659,000	
T215			
T216	Stamford Downtown		
T217	Relocation - Phase II	17,392,000	
T218			

T219	Storrs Hall Addition	4,300,000
T220		
T221	Student Health Services	12,000,000
T222		
T223	Student Union Addition	23,000,000
T224		
T225	Support Facility	
T226	(Architectural and	
T227	Engineering Services)	2,000,000
T228		
T229	Technology Quadrant -	
T230	Phase IA	38,000,000
T231		
T232	Technology Quadrant -	
T233	Phase IB	16,611,000
T234		
T235	Technology Quadrant -	
T236	Phase II	72,000,000
T237		
T238	Technology Quadrant -	
T239	Phase III	15,000,000
T240		
T241	Torrey Life Science	
T242	Renovation	17,000,000
T243		
T244	Torrey Renovation	
T245	Completion and Biology	
T246	Expansion	42,000,000
T247		
T248	Torrington Campus	
T249	Improvements	1,000,000
T250		
T251	Towers Renovation	17,794,000
T252		
T253	UConn Products Store	1,000,000

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T254			
T255	Undergraduate Education		
T256	Center	650,000	
T257			
T258	Undergraduate Education		
T259	Center		7,450,000
T260			
T261	Underground Steam &		
T262	Water Upgrade	3,500,000	
T263			
T264	Underground Steam &		
T265	Water Upgrade		
T266	Completion		9,000,000
T267			
T268	University Programs		
T269	Building - Phase I	8,750,000	
T270			
T271	University Programs		
T272	Building - Phase II		
T273	Visitors Center		300,000
T274			
T275	Waring Building Conversion	7,888,000	
T276			
T277	Waterbury Downtown		
T278	Campus		3,000,000
T279			
T280	Waterbury Property		
T281	Purchase	325,000	
T282			
T283	West Campus Renovations		14,897,000
T284			
T285	West Hartford Campus		
T286	Renovations/		
T287	Improvements		25,000,000
T288			

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T289	White Building Renovation	2,430,000	
T290			
T291	Wilbur Cross Building		
T292	Renovation	3,645,000	
T293			
T294	Young Building Renovation/		
T295	Addition		17,000,000
T296			
T297	HEALTH CENTER		
T298			
T299	CLAC Renovation		
T300	Biosafety Level 3 Lab		14,000,000
T301			
T302	Deferred Maintenance/		
T303	Code/ADA Renovation		
T304	Sum - Health Center		50,000,000
T305			
T306	Dental School Renovation		5,000,000
T307			
T308	Equipment, Library		
T309	Collections and		
T310	Telecommunications -		
T311	Health Center		75,000,000
T312			
T313	Library/Student Computer		
T314	Center Renovation		5,000,000
T315			
T316	Main Building Renovation		[50,000,000]
T317			<u>125,000,000</u>
T318			
T319	Medical School Academic		
T320	Building Renovation		9,000,000
T321			
T322	Parking Garage - Health		
T323	Center		8,400,000

T324				
T325	Research Tower			60,000,000
T326				
T327	Support Building Addition/			
T328	Renovation			4,000,000
T329				
T330	The University of Connecticut			
T331	Health Center			
T332	New Construction and			
T333	Renovation			[207,000,000]
T334				<u>394,900,000</u>
T335				
T336	Planning and Design Costs			25,000,000
T337				
T338	Total - Storrs and Regional			
T339	Campus Project List			1,043,000,000
T340				
T341	Total - Health Center			
T342	Project List			[512,400,000]
T343				<u>775,300,000</u>
T344				
T345	TOTAL	382,000,000	868,000,000	[1,555,400,000]
T346				<u>1,818,300,000</u>

108 (b) The plan of funding UConn 2000 shall be the proceeds of general  
 109 obligation bonds of the state in an amount authorized before June 7,  
 110 1995, and the proceeds of securities subject to the authorized funding  
 111 amount established in subdivision (10) of subsection (a) of section 10a-  
 112 109d and the proceeds of the Special External Gift Fund becoming  
 113 available to the university pursuant to section 10a-109i.

114 (c) The amount of the state debt service commitment in each fiscal  
 115 year shall be pledged by the university for the punctual payment of

116 special debt service requirements as the same arise and shall become  
117 due and payable. As part of the contract of the state with the holders of  
118 the securities secured by the state debt service commitment and  
119 pursuant to section 10a-109u, appropriation of all amounts of the state  
120 debt service commitment is hereby made out of the resources of the  
121 General Fund and the Treasurer shall pay such amount in each fiscal  
122 year, to the paying agent on the securities secured by the state debt  
123 service commitment or otherwise as the Treasurer shall provide. The  
124 university shall be entitled to rely on the amount of the state debt  
125 service commitment and minimum state operating provision as and  
126 for assured revenues in any financing transaction proceeding,  
127 provided, to the extent any such proceeding includes reliance on such  
128 state debt service commitment and such minimum state operating  
129 provision, the university commits to a rate covenant and covenants, in  
130 substance, with the state and the holders of its securities to the effect  
131 that as long as any securities thereunder are outstanding that it has  
132 established and will charge, collect and increase, from time to time,  
133 and in time tuition fees and charges for its educational services, its  
134 auxiliary enterprises, including dormitory housing, food services and  
135 sale of textbooks and use of the physical university plant and for all  
136 other services and goods provided by the university, the amount of  
137 which, together with other assured revenues or other revenues  
138 otherwise available to the university including proceeds available from  
139 the Special External Gift Fund shall in each of its fiscal years be  
140 sufficient to pay when due, the special debt service requirements on  
141 outstanding securities and to permit the university to operate and  
142 maintain itself as an institution dedicated to excellence in higher  
143 education and to operate and maintain the physical university plant in  
144 sound operating condition and to otherwise permit the performance of  
145 all covenants included in the financing documents.

146 (d) With respect to UConn 2000 and within the authorized funding  
147 amount, the university may, from time to time, and shall whenever  
148 appropriate or necessary, revise, delete and add a particular project or  
149 projects, provided (1) a formal approving vote of its board of trustees  
150 shall be needed for a material revision, deletion or addition dictated by

151 a change in university planning as determined by its board of trustees  
152 or otherwise necessary because of reasons beyond the control of the  
153 university, (2) any material revision shall be subject only to such  
154 formal approval of the board of trustees as long as the board finds and  
155 determines that such revision is consistent with the intent or purpose  
156 of the original project, (3) a material addition or deletion shall be  
157 conditioned not only upon such formal approval of the board of  
158 trustees but also upon a request by the board of trustees for, and  
159 enactment of, a subsequent public or special act approving such  
160 addition or deletion, if such addition is to add a project not outlined in  
161 subsection (a) of this section or the deletion is the deletion of a project  
162 outlined in subsection (a) of this section, and (4) no revision, addition  
163 or deletion shall reduce the amount of any state debt service  
164 commitment. Further, with respect to UConn 2000 and subject to the  
165 limitations in the authorized funding amount, the university may  
166 determine the sequencing and timing of such project or projects, revise  
167 estimates of cost and reallocate from any amounts estimated in  
168 subdivision (a) of this section, for one or more projects to one or more  
169 other projects then constituting a component of UConn 2000 as long as,  
170 at the time of such reallocation, it has found that any such project to  
171 which a reallocation is made has been revised or added in accordance  
172 with this section and such project from which a reallocation is made  
173 either has been so revised or added and can be completed within the  
174 amounts remaining allocated to it, or has been so deleted. University  
175 actions under this section shall be included in reports to the General  
176 Assembly under section 10a-109y.

177 I(e) Except as provided in subsection (f) of this section, the plan of  
178 funding The University of Connecticut Health Center new  
179 construction and renovation shall be (1) the contribution of not less  
180 than one hundred million dollars of federal, private or other nonstate  
181 money, or any combination thereof, (2) proceeds of securities issued by  
182 the university in accordance with subdivision (10) of subsection (a) of  
183 section 10a-109d in an amount not to exceed two hundred seven  
184 million dollars, and (3) reallocation of twenty-five million dollars from  
185 The University of Connecticut Health Center main building renovation

186 for planning and design costs associated with The University of  
187 Connecticut Health Center new construction and renovation. Such  
188 federal, private or other nonstate money, now available or hereafter to  
189 be made available pursuant to subdivision (1) of this subsection, shall  
190 be deposited in such account or accounts of the university as the  
191 secretary and Treasurer, in consultation with the university, deem  
192 appropriate so as to assure timely payment of the cost of such project.]

193 [(f)] (e) Until such time as [(1) the full amount of the federal, private  
194 or other nonstate money described in subdivision (1) of subsection (e)  
195 of this section is made available, and, upon such money being made  
196 available, (2)] the State Bond Commission allocates the bonds  
197 authorized pursuant to section 10a-109gg, as amended by this act, for  
198 the UConn health network initiatives, the university shall not expend  
199 any funds authorized by subdivision (10) of subsection (a) of section  
200 10a-109d, subsection (a) of [section 10a-109e] this section or  
201 subdivision (1) of subsection (a) of section 10a-109g, as amended by  
202 this act, for The University of Connecticut Health Center new  
203 construction and renovation, except for [the] twenty-five million  
204 dollars [authorized by subsection (a) of section 10a-109e for The  
205 University of Connecticut Health Center] for planning and design  
206 costs.

207 (f) The University of Connecticut Health Center shall (1) contribute  
208 not less than sixty-nine million dollars of funds from operations,  
209 special eligible gifts or other sources toward The University of  
210 Connecticut Health Center new construction and renovation, and (2)  
211 provide for construction of a new ambulatory care center through debt  
212 or equity financing obtained from one or more private developers who  
213 contract with the university to construct such new ambulatory care  
214 center.

215 Sec. 5. Subdivision (1) of subsection (a) of section 10a-109g of the  
216 general statutes is repealed and the following is substituted in lieu  
217 thereof (*Effective from passage*):

218 (a) (1) The university is authorized to provide by resolution, at one

219 time or from time to time, for the issuance and sale of securities, in its  
 220 own name on behalf of the state, pursuant to section 10a-109f. The  
 221 board of trustees of the university is hereby authorized by such  
 222 resolution to delegate to its finance committee such matters as it may  
 223 determine appropriate other than the authorization and maximum  
 224 amount of the securities to be issued, the nature of the obligation of the  
 225 securities as established pursuant to subsection (c) of this section and  
 226 the projects for which the proceeds are to be used. The finance  
 227 committee may act on such matters unless and until the board of  
 228 trustees elects to reassume the same. The amount of securities the  
 229 special debt service requirements of which are secured by the state  
 230 debt service commitment that the board of trustees is authorized to  
 231 provide for the issuance and sale in accordance with this subsection  
 232 shall be capped in each fiscal year in the following amounts, [subject to  
 233 the provisions of section 10a-109ll and,] provided, to the extent the  
 234 board of trustees does not provide for the issuance of all or a portion of  
 235 such amount in a fiscal year, all or such portion, as the case may be,  
 236 may be carried forward to any succeeding fiscal year and provided  
 237 further, the actual amount for funding, paying or providing for the  
 238 items described in subparagraph (C) of subdivision (10) of subsection  
 239 (a) of section 10a-109d may be added to the capped amount in each  
 240 fiscal year:

T347	Fiscal Year	Amount
T348	1996	\$112,542,000
T349	1997	112,001,000
T350	1998	93,146,000
T351	1999	64,311,000
T352	2000	130,000,000
T353	2001	100,000,000
T354	2002	100,000,000
T355	2003	100,000,000
T356	2004	100,000,000
T357	2005	100,000,000
T358	2006	79,000,000

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T359	2007	89,000,000
T360	2008	115,000,000
T361	2009	140,000,000
T362	2010	0
T363	2011	138,800,000
T364	2012	157,200,000
T365	2013	143,000,000
T366	2014	[140,000,000] <u>198,000,000</u>
T367	2015	[128,500,000] <u>208,500,000</u>
T368	2016	[119,500,000] <u>199,500,000</u>
T369	2017	[116,000,000] <u>160,900,000</u>
T370	2018	91,000,000

241       Sec. 6. Section 10a-109gg of the general statutes is repealed and the  
 242 following is substituted in lieu thereof (*Effective from passage*):

243       (a) The State Bond Commission shall have power, from time to time,  
 244 to authorize the issuance of bonds of the state in one or more series  
 245 and in principal amounts in the aggregate, not exceeding [thirty]  
 246 twenty-two million dollars.

247       (b) The proceeds of the sale of the bond issuance described in  
 248 subsection (a) of this section shall be used by the Office of Policy and  
 249 Management, in consultation with the chairperson of the Board of  
 250 Trustees of the university, for the purpose of the UConn health  
 251 network initiatives in the following manner: (1) Five million dollars of  
 252 such proceeds shall be used by Hartford Hospital to develop a  
 253 simulation and conference center on the Hartford Hospital campus to  
 254 be run exclusively by Hartford Hospital, (2) five million dollars of such  
 255 proceeds shall be used to fulfill the initiative for a primary care  
 256 institute on the Saint Francis Hospital and Medical Center campus, (3)  
 257 [ten] five million dollars of such proceeds shall be used to fulfill the  
 258 initiatives for [an institute for clinical and translational science on The  
 259 University of Connecticut Health Center campus,] a comprehensive  
 260 cancer center and The University of Connecticut-sponsored health  
 261 disparities institute; (4) [three million dollars of such proceeds shall be

262 used to fulfill the initiatives to develop The Connecticut Institute for  
263 Nursing Excellence at The University of Connecticut at Storrs; (5)] five  
264 million dollars of such proceeds shall be used to fulfill the initiatives  
265 for the planning, design, land acquisition, development and  
266 construction of (A) a cancer treatment center to be constructed by, or in  
267 partnership with, The Hospital of Central Connecticut, provided such  
268 cancer treatment center is located entirely within the legal boundaries  
269 of the city of New Britain, (B) renovations and upgrades to the  
270 oncology unit at The Hospital of Central Connecticut, and (C) if  
271 certificate of need approval is received pursuant to the provisions of  
272 subsection (b) of section 10a-109ii, as amended by this act, a Permanent  
273 Regional Phase One Clinical Trials Unit located at The Hospital of  
274 Central Connecticut in New Britain; and [(6)] (5) two million dollars of  
275 such proceeds shall be used to fulfill the initiatives for patient room  
276 renovations at Bristol Hospital. In the event that the cancer treatment  
277 center authorized pursuant to subdivision [(5)] (4) of this subsection is  
278 built in whole or in part outside the legal boundaries of the city of New  
279 Britain, The Hospital of Central Connecticut shall repay the entire  
280 amount of the proceeds used to fulfill the initiatives for the planning,  
281 design, development and construction of such center.

282 (c) The provisions of section 3-20 or the exercise of any right or  
283 power granted pursuant to said section that are not inconsistent with  
284 the provisions of sections 10a-109b to 10a-109e, inclusive, as amended  
285 by this act, 10a-109g, as amended by this act, 10a-109n, 10a-109gg to  
286 10a-109mm, inclusive, as amended by this act, and 32-41s are hereby  
287 adopted and shall apply to all bonds authorized by the State Bond  
288 Commission pursuant to subsections (a) and (b) of this section.  
289 Temporary notes issued in anticipation of the money to be derived  
290 from the sale of any such bonds so authorized may be issued in  
291 accordance with section 3-20 and from time to time renewed. Such  
292 bonds shall mature at such time or times not exceeding twenty years  
293 from their respective dates as may be provided in or pursuant to the  
294 resolution or resolutions of the State Bond Commission authorizing  
295 such bonds.



296 (d) None of the bonds described in subsections (a) and (b) of this  
297 section shall be authorized, except upon a finding by the State Bond  
298 Commission that there has been filed with it a request for such  
299 authorization that (1) has been signed by the secretary or by or on  
300 behalf of the university, [(2) states that not less than one hundred  
301 million dollars of federal, private or other nonstate money has been  
302 contributed pursuant to section 10a-109e for purposes of The  
303 University of Connecticut Health Center new construction and  
304 renovation,] and [(3)] (2) contains such other terms and conditions as  
305 the commission, in its discretion, may require.

306 Sec. 7. Subsection (a) of section 10a-109ii of the general statutes is  
307 repealed and the following is substituted in lieu thereof (*Effective from*  
308 *passage*):

309 (a) Not later than [December 31, 2010] June 30, 2011, Connecticut  
310 Children's Medical Center and John Dempsey Hospital shall (1) jointly  
311 notify the Secretary of the Office of Policy and Management regarding  
312 their agreement to proceed with the NICU transfer and increase in bed  
313 capacity of John Dempsey Hospital, or (2) notify the secretary, either  
314 jointly or individually, that Connecticut Children's Medical Center,  
315 John Dempsey Hospital, or both, have abandoned their plans to  
316 proceed with the NICU transfer and increase in bed capacity of John  
317 Dempsey Hospital. For purposes of this section, the NICU transfer and  
318 increase in bed capacity of John Dempsey Hospital shall be treated as  
319 one project and shall not be separated for purposes of the certificate of  
320 need approval process without the filing of a new certificate of need  
321 application pursuant to chapter 368z and subsection (b) of this section.

322 Sec. 8. Subsection (d) of section 34 of public act 09-2 of the  
323 September special session, as amended by section 345 of public act 10-  
324 44 and section 82 of public act 10-179, is amended to read as follows  
325 (*Effective from passage*):

326 For the Department of Public Health: Grants-in-aid, not exceeding  
327 \$6,000,000, (1) for hospital-based emergency service facilities, (2) to  
328 community health centers and primary care organizations for the

329 purchase of equipment, renovations, improvements and expansion of  
 330 facilities, including acquisition of land or buildings, (3) to Community  
 331 Health Center, Inc. for renovations and improvements at the New  
 332 London facility, not exceeding \$1,000,000, and (4) for enhancements to  
 333 the accessibility and efficiency of health care services in the city of  
 334 Hartford, not exceeding \$3,000,000, provided the State Bond  
 335 Commission shall not allocate the funds pursuant to this subdivision  
 336 until such time as [the full amount of the federal private or nonstate  
 337 money described in subdivision (1) of subsection (e) of section 10a-  
 338 109e of the general statutes is made available and] said commission  
 339 has allocated the bonds authorized for UConn health network  
 340 initiatives pursuant to [section 8 of public act 10-104] section 10a-109gg  
 341 of the general statutes, as amended by this act, and provided (A) one  
 342 million dollars shall be made available to Charter Oak Health Center,  
 343 Inc. for the purchase of medical equipment to provide electronic  
 344 medical records and develop access to remote treatment and training  
 345 centers, (B) one million dollars shall be made available to Community  
 346 Health Services, Inc. for the purchase of medical equipment to provide  
 347 electronic medical records and develop access to remote treatment and  
 348 training centers, and (C) one million dollars shall be made available to  
 349 the Hispanic Health Council for renovation and repairs.

350 Sec. 9. Sections 10a-109kk and 10a-109ll of the general statutes are  
 351 repealed. (*Effective from passage*)

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	10a-109b(b)
Sec. 2	<i>from passage</i>	10a-109c(32)
Sec. 3	<i>from passage</i>	10a-109d(a)(10)
Sec. 4	<i>from passage</i>	10a-109e
Sec. 5	<i>from passage</i>	10a-109g(a)(1)
Sec. 6	<i>from passage</i>	10a-109gg
Sec. 7	<i>from passage</i>	10a-109ii(a)
Sec. 8	<i>from passage</i>	PA 09-2 of the September Sp. Sess., Sec. 34(d)

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Sec. 9	<i>from passage</i>	Repealer section
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**FIN**      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

### **OFA Fiscal Note**

#### **State Impact:**

Agency Affected	Fund-Effect	FY 12 \$	FY 13 \$
Treasurer, Debt Serv.	GF - Cost	None	None

Note: GF=General Fund

#### **Municipal Impact:** None

#### **Explanation**

The bill: (1) authorizes \$262.9 million in new General Obligation (GO) bonds for renovations and new construction at the University of Connecticut Health Center (UCHC) between FY 14 and FY 17 and (2) reduces prior GO authorizations for the UConn Health Network Initiatives by \$8 million, which results in a net total increase of \$254.9 million. The total General Fund debt service cost for principal and interest payments to bond \$254.9 million over 20 years, assuming a 5.0% interest rate, is \$388.7 million (comprised of \$133.8 million in interest and \$254.9 in principal). There is no General Fund impact in FY 12 or FY 13 because no additional bonds are authorized until FY 14.

The table below shows the changes made by PA 10-104 and the bill:

Changes to GO Bond Authorizations				
Purpose	Amount (\$-millions)			
	Prior law	PA 10-104 changes	sSB 1152 changes	After sSB 1152
CLAC Reno Biosafety Level 3 Lab	14.0			14.0
Deferred Maintenance/Code/ADA	50.0			50.0
Dental School Renovation	5.0			5.0
Equipment, Library, Telecom	75.0			75.0
Library/Computer Center Reno	5.0			5.0
Main Building Reno	75.0	(25.0)	75.0	125.0
Med School Academic Bldg Reno	9.0			9.0
Parking Garage	8.4			8.4
Research Tower	60.0			60.0

Changes to GO Bond Authorizations				
Purpose	Amount (\$-millions)			
	Prior law	PA 10-104 changes	sSB 1152 changes	After sSB 1152
Support Building Addition/Reno	4.0			4.0
Health Center New Construction	0.0	207.0	187.9	394.9
Planning and design costs	0.0	25.0		25.0
<b>Total UConn 2000</b>	<b>305.4</b>	<b>207.0</b>	<b>262.9</b>	<b>775.3</b>
UConn Health Initiatives	0.0	30.0	(8.0)	22.0
<b>TOTAL GO Authorizations</b>	<b>305.4</b>	<b>237.0</b>	<b>254.9</b>	<b>797.3</b>

### Other Provisions

The bill also:

- Eliminates language related to the proposed Institute for Nursing Excellence and the Connecticut Institute for Clinical and Translational Science. These eliminations correspond with the \$8 million reduction in GO bonds noted above.
- Requires UCHC to provide for the construction of an ambulatory care center through debt or equity financing obtained from one or more private developers.
- Requires UCHC to contribute at least \$69 million towards the project cost from operation, gifts or other sources.
- Removes the requirement that \$100 million in non-state funds be received before the UCHC project can proceed.

### The Out Years

#### State Impact:

The \$254.9 million increase in GO bond authorizations is effective between FY 14 and FY 17. Assuming the bonds are issued in the year in which they become effective, the increase in General Fund debt service costs associated with the bonds is expected to begin in FY 14. The debt service cost will continue for the 20-year term of the bonds.

***Municipal Impact:*** None

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**OLR Bill Analysis****sSB 1152****AN ACT CONCERNING THE UNIVERSITY OF CONNECTICUT  
HEALTH CENTER.****SUMMARY:**

This bill authorizes \$262.9 million in new bonding under the UConn 2000 infrastructure program. It increases the authorizations for two enumerated UConn Health Center (UCHC) Projects-- main building renovation and UCHC new construction and renovation by \$75 million and \$187.9 million, respectively (see BACKGROUND).

With respect to the new construction and renovation project, the bill eliminates a requirement that UConn obtain \$100 million in federal, private, or other nonstate money before (1) the bonds are issued and (2) construction commences. It retains a requirement that the State Bond Commission allocate state general obligation (GO) bonds for UConn health network initiatives before UConn may expend funds for new construction and renovation. The bill also reduces, from \$30 to \$22 million, existing GO bond authorizations for the health network initiatives by eliminating two projects from these initiatives.

The bill requires UCHC to (1) contribute at least \$69 million from operations, special eligible gifts, or other sources toward the new construction and renovation project and (2) provide for the construction of a new ambulatory care center through debt or equity financing obtained from one or more private developers.

It also extends a notification date concerning the transfer of neonatal intensive care units (NICU) beds from John Dempsey Hospital (JDH) to Connecticut Children's Medical Center (CCMC).

EFFECTIVE DATE: Upon passage

## PROJECT AUTHORIZATIONS AND FUNDING SOURCES

### UConn 2000 Bonds

The bill authorizes \$262.9 million in new bonding under UConn 2000. It does so by increasing the authorization for two enumerated UCHC projects, as shown in Table 1.

Table 1: UConn 2000 Project Cost Increases

<i>Project</i>	<i>Current Authorizations (in millions)</i>	<i>Proposed Authorizations (in millions)</i>	<i>Change (in millions)</i>
UCHC Main Building Renovation	\$50	\$125	\$75
UCHC New Construction and Renovation	207	394.9	187.9
<b>TOTAL INCREASE</b>			262.9

To conform to the changes in project authorizations, the bill also adjusts the annual bond limit caps for the UConn 2000 infrastructure program for FY 14 through FY 18 as shown in Table 2. Under current law and the bill, any difference between the amount actually issued in any year and the cap can be carried forward to any succeeding fiscal year. Financing transaction costs can be added to the caps.

Table 2: Annual Bond Limits for UConn 2000

<i>FY</i>	<i>Current Limit (in millions)</i>	<i>Proposed Limit (in millions)</i>	<i>Change (in millions)</i>
2014	\$140	\$198	\$58
2015	128.5	208.5	80
2016	119.5	199.5	80
2017	116	160.9	44.9
2018	91	91	0
<b>TOTAL</b>			262.9

### Bonding Conditions

Under current law, the funding plan for the new construction and renovation at the UCHC includes the \$207 million in UConn 2000 bonds described above and an additional (1) \$25 million in UConn 2000 bonds for planning and design costs and (2) \$100 million in federal, private, or other nonstate money. The law also authorizes \$30



million in state GO bonds to fund the UConn health network initiatives.

Under current law, the issuance of the \$207 million in UConn 2000 bonds and \$30 million in state GO bonds is contingent on UConn securing the \$100 million in nonstate money. The bill eliminates the requirement that UCHC secure this nonstate money before issuing the bonds. Under the bill, UConn may not spend any UConn 2000 bonds for the new construction and renovation project, other than those for planning and design costs, until the State Bond Commission allocates the UConn health network initiatives bonds.

The bill also makes a conforming change to a \$3 million bond authorization to the Department of Public Health (DPH) for enhancements to the accessibility and efficiency of health care services in Hartford. Current law bars the bond commission from allocating the bonds until the (1) \$100 million in nonstate money is available and (2) the commission has allocated the UConn health network initiative bonds. The bill eliminates the requirement that the bond issuance be contingent on the \$100 million in nonstate money.

#### **NEW AMBULATORY CARE CENTER**

The bill directs UCHC to provide for the construction of a new ambulatory care center through debt or equity financing obtained from one or more private developers who contract with UConn to build the center.

#### **UConn HEALTH CENTER NETWORK INITIATIVES**

Under the law, the UConn health network initiatives include:

1. a simulation and conference center on the Hartford Hospital campus that uses new technologies and simulated care settings to educate and train healthcare professionals;
2. a Connecticut Institute for Primary Care at the Saint Francis Hospital and Medical Center campus that is intended to increase the number of primary care providers in the state;

3. an institute for clinical and translational science (for the translation of scientific discoveries into practical applications) at UCHC;
4. a comprehensive cancer center to expand clinical trials and advance patient care in the Hartford region;
5. a UConn-sponsored health disparities institute intended to enhance research and the delivery of care to minority and medically underserved people;
6. the Connecticut Institute for Nursing Excellence at the UConn School of Nursing that will explore ways to enhance the recruitment, education, and retention of nurses and nursing faculty;
7. at the Hospital of Central Connecticut, (a) the planning, design, land acquisition, development, and construction of a cancer treatment center constructed by, or in partnership with, the hospital and located entirely within the City of New Britain, (b) renovations and upgrades to the hospital's oncology unit, and (c) a permanent regional phase- one clinical trials unit at the hospital, provided that a certificate of need is approved for this purpose; and
8. patient room renovations at Bristol Hospital.

The bill eliminates two of these initiatives: the Connecticut Institute for Nursing Excellence and the institute for clinical and translational science and \$8 million in related bond funding. It specifies that \$5 million is allocated for the comprehensive cancer center and the UConn-sponsored health disparities institute.

#### **NEONATAL INTENSIVE CARE UNIT BED TRANSFER**

Current law establishes provisions for transferring from JDH to CCMC, licensure and control of 40 NICU beds. The bill extends from December 30, 2010 to June 30, 2011 the time by which CCMC and JDH

must notify the Office of Policy and Management secretary (1) jointly, of their intent to proceed with NICU transfer or (2) jointly or individually, that they will not pursue it.

## **BACKGROUND**

### ***Legislative History***

The Senate referred the bill to the Finance, Revenue, and Bonding Committee on May 17. On May 19, the committee reported out a substitute bill that replaced the original bill (File 339), which was a study bill.

### ***PA 10-104***

PA 10-104 provided funding, under certain conditions, for the (1) construction of a new bed tower and renovation of academic, clinical, and research space at UConn's JDH and (2) development of regional health network initiatives.

The total cost was \$362 million. The act authorized the issuance of \$237 million in new state bonds of which \$207 million would be issued under the UConn 2000 infrastructure improvement program. It also reallocated \$25 million in existing UConn 2000 funds to pay for planning and design costs of the new JDH bed tower and required a contribution of \$100 million in federal, private, or other nonstate money. The act prohibited the \$237 million in new bonds from being issued and construction of the bed tower from commencing until the \$100 million is received. It established June 30, 2015 as the deadline for receiving the \$100 million.

UCHC new construction and renovation" means the planning, design, development, financing, construction, renovation, furnishing, equipping, and completion of clinical, academic, and research space at JDH. It specifically includes the construction of a new bed tower, increasing the number of licensed beds from 224 to a maximum of 234, including newborn bassinets.

The act also established provisions for transferring, from JDH to CCMC, licensure and control of 40 NICU beds. It conferred the

benefits of an enterprise zone on certain businesses in Hartford and parts of Farmington, New Britain, and Bristol, and it required UConn to report biennially on the progress of the health network initiatives and the JDH construction and renovation.

**COMMITTEE ACTION**

Higher Education and Employment Advancement Committee

Joint Favorable

Yea 19 Nay 0 (03/17/2011)

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 31 Nay 19 (05/19/2011)

# BIOSCIENCE CONNECTICUT

## *Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

*It is time for Connecticut to again become a leader. We once led the world in manufacturing, a distinction that made us justifiably proud, and a distinction that enabled our middle class to thrive. By becoming a leader in bioscience, Connecticut can again be at the forefront of an economic renaissance. By capitalizing on existing assets, and by attracting new ones, Connecticut can lead the new economy in a way that will make us an attractive place to do business, and a state that attracts and retains top-flight, national talent.*

**Goals:** To help jumpstart Connecticut's economy by creating jobs now and by generating long-term economic growth, and to increase access to quality health care. Both goals can be achieved by making Connecticut a leader in bioscience.

**Objectives:** Provide new strategic investment and recast existing commitments to:

- Create 3,000 construction jobs annually through 2018.
- Generate \$4.6 billion increase in personal income and generate 16,400 jobs by 2037.
- Double federal and industry research grants to drive discovery, innovation and commercialization.
- Increase access to high-quality health care.
- Graduate and retain more physicians and dentists to meet forecasted workforce shortage and meet increased demand for health care services resulting from health care reform and an aging population.
- Strengthen and stabilize UConn Health Center's finances.

**Components:** Renovate existing UConn Health Center facilities to increase bioscience research capacity and productivity, increase the number of basic and clinical/translational scientists, and expand incubator facilities to foster new business startups.

Increase UConn Health Center's medical and dental school enrollments by 30 percent and establish a loan forgiveness program to attract more graduates to practice primary care medicine and dentistry in Connecticut.

Construct new patient tower and new ambulatory care facility and increase the number of UConn Health Center primary and specialty care clinicians.

## Summary

- Strengthen, create, retain and attract companies to forge a powerful a bioscience industry.
- Increase employment by 3,000 starting in 2012, and deliver 16,400 high quality, high value jobs by 2037, first driven by construction, then by expanding operations, and finally by the growth, expansion and maturation of Connecticut's emerging bioscience sector.
- Deliver good-paying jobs, raising Connecticut's personal income steadily, reaching \$4.6 billion in 2037.
- Establish a strong basis for discovery and innovation by assembling a critical mass of clinical and scientific personnel.
- Deliver significant new tax revenues to the state.
- Provide better access and increased capacity to meet the forecasted demand of Connecticut citizens for health care services by graduating and retaining more physicians and dentists to practice in the state, increasing the number of UConn Health Center's primary and specialty care physicians, and modernizing UConn Health Center's clinical facilities.

A Bioscience Connecticut Investment		Millions
Capital Expenditures	Renovate Existing Research Facilities	\$155
	Construct New Patient Tower and Garage	\$318
	Renovate Existing Tower Facility	\$163
	Construct New Ambulatory Care Center	\$203
	Implement UConn Health Network Initiatives	\$ 25
Fund Sources	New Bonding	\$254
	Private Financing	\$203
	UConn Health Center Resources	\$ 69
	Previously Approved Bonding	
	UConn 2000	\$305
	UConn Health Network	\$ 33
		total \$207

Return on State's Investment Through 2037	
Employment	3,000 construction jobs annually through 2018 16,400 new jobs by 2037
Personal Income	Increase by \$4.6 billion in 2037
Net Revenues to Connecticut	\$823 million

# **BIOSCIENCE CONNECTICUT**

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

*Governor Dannel P. Malloy*

**May 26, 2011**

1

## **BIOSCIENCE CONNECTICUT**

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

***Connecticut once led the world in 20<sup>th</sup> Century manufacturing, a distinction of which we were justifiably proud and that allowed our middle class to thrive.***

***It is time for Connecticut to lead again. By capitalizing on our existing assets and investing in bioscience research, discovery and commercialization, we will attract new talent and economic opportunities.***

***Connecticut can be a 21<sup>st</sup> Century Bioscience leader.***

2

## BIOSCIENCE CONNECTICUT

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

**Goal:** Jumpstart Connecticut's economy by creating jobs now and generating long-term economic growth.

**Objectives:** Provide new strategic investment and recast existing commitments to:

- Create 3,000 construction jobs annually through 2018.
- By 2037, generate 16,400 new jobs in pharmaceuticals, medical devices, information technology, for example.
- Increase in personal income by an estimated \$4.6 billion.
- Double federal and industry research grants to drive discovery, innovation and commercialization.
- Increase access to high-quality health care.
- Graduate and retain more physicians and dentists to meet increased health care demands and the forecasted workforce shortage.

3

## Economic Impact Projections

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

**Objective:** Provide new strategic investment and maintain existing commitment to create:

BIOSCIENCE CONNECTICUT

Annual average of new jobs during construction phase (2012-2018):  
**3,000**

New permanent jobs created through 2037:  
**16,400**

Increase in state personal income by 2037:  
**\$4.6 Billion**

Net new revenue to state by 2037:  
**\$823 Million**

4



*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

		Millions
Capital Expenditures	Renovate Existing Research Facilities	\$138
	New Incubator Space	\$ 17
	Construct New Hospital Tower and Garages	\$318
	Renovate Existing Clinical Facility	\$163
	Construct New Ambulatory Care Center	\$203
	Implement UConn Health Network Initiatives	\$ 25
		Total \$864
Fund Sources	New Bonding	\$254
	Private Financing	\$203
	UConn Health Center Contribution	\$ 69
	Previously Approved Bonding	
	UCONN 2000	\$305
	UConn Health Network	\$ 33
		Total \$864

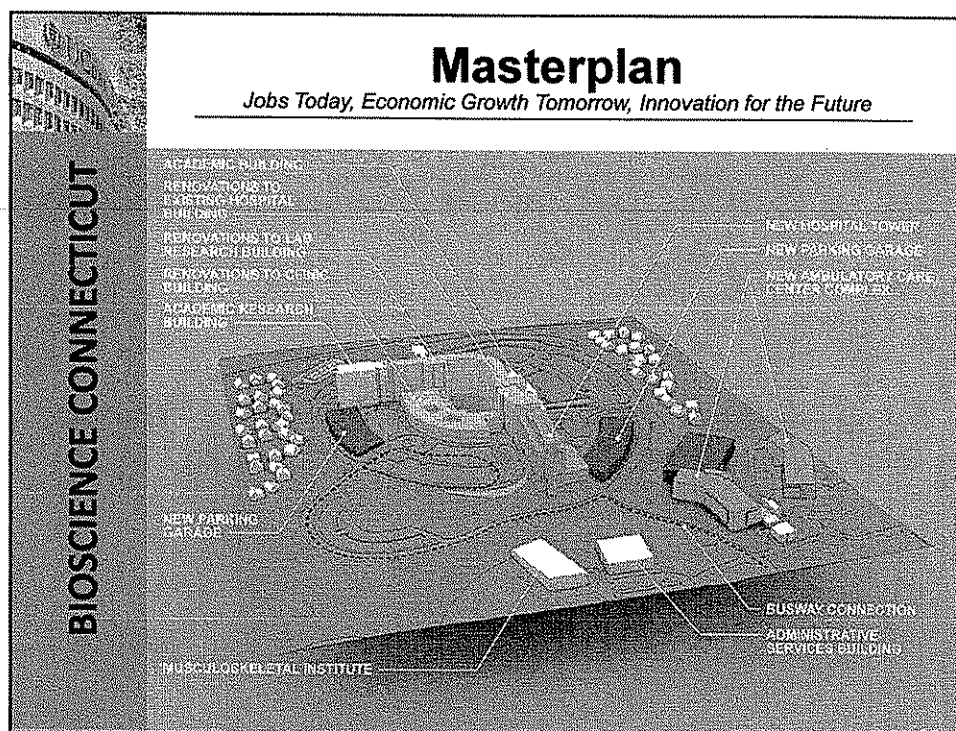
*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

- Increase research capacity and productivity by renovating existing Health Center facilities
- Increase the number of basic and clinical/translational scientists, and
- Expand incubator facilities to foster new business start-ups.

- Increase UConn's medical and dental school enrollment by 30%
- Incent graduates to practice primary care medicine and dentistry in Connecticut through a loan forgiveness program

- Construct a new hospital tower and ambulatory care facility, renovating the John Dempsey Hospital
- Implement a community-based program within the UConn Health Network.

1



**BIOSCIENCE CONNECTICUT**

## PROJECT COMPONENTS

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

### RESEARCH EXPANSION

- Renovate 238,000 square feet of existing outdated UCHC research facilities.
- Increase bioscience research capacity and productivity from \$100m to \$200m annually.

### INCUBATOR GROWTH

- Create 28,000 square feet of new incubator space to encourage business tech start-ups by renovating of existing UCHC research facilities.

### TALENT RECRUITMENT

- Increase the number of basic and clinical/translational scientists (by 50).
- Increase the medical and dental school enrollments by 30 percent (150 students)
- Establish a loan forgiveness program to attract more graduates to practice primary care medicine and dentistry in Connecticut.

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**BIOSCIENCE CONNECTICUT**

## PROJECT COMPONENTS

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

**COMMUNITY**

- Incorporate the plan overwhelmingly approved last year by the General Assembly (Public Act 10-104) that provided for the –
  - ❑ construction of a new patient tower with the same number of licensed beds (234), and
  - ❑ establishment of the initiatives for –
    - Hartford Hospital,
    - St. Francis,
    - The Hospital of Central Connecticut,
    - Bristol Hospital,
    - Charter Oak Health Center,
    - Community Health Services and
    - The Hispanic Health Council.

**PUBLIC HEALTH ACCESS**

- Build a new, privately financed 300,000 square feet ambulatory care facility (est. \$203 million) to replace outdated space for current medical offices, the dental clinics and new clinician offices.

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**BIOSCIENCE CONNECTICUT**

## Renovation of Research Space

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

- State-of-the-art labs:  
238,000-square-feet and open design
- Estimated Cost:  
\$138 million
- Construction in two phases:  
2012-2016

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## Renovation of Research Space

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

BIOSCIENCE CONNECTICUT

The seven research floors that have not undergone substantial renovations or upgrades since the building was originally constructed in 1972.

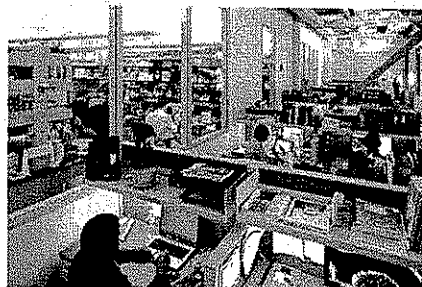
In a phased in renovation, new modern open, flexible research labs, lab support, and research office space will replace the small outdated labs.

Modeled after the UCHC Cell and Genome Sciences Building Lab space, open labs will be constructed to allow for maximum flexibility and utilization that promotes interdepartmental research.

To provide safe, energy efficient environments for the bioscience programs, the building's outdated, inefficient mechanical infrastructure systems (HVAC, electrical, and plumbing systems) will be replaced with appropriate systems.

The research programs that will be included in the renovated space:

- o Immunology
- o Neuroscience
- o Neurology
- o Molecular Biology
- o Cell Biology
- o Surgery
- o Clinical Research Center
- o Dental Reconstructive Sciences
- o Dental Oral Health and Diagnostics
- o Dental Cranio – Facial



## Conversion of Research Space to New Incubator Space

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

BIOSCIENCE CONNECTICUT

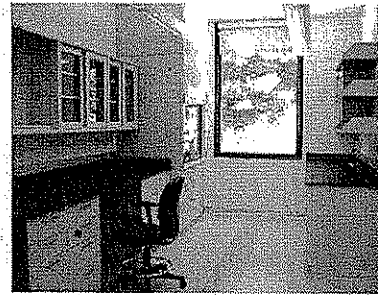
- 28,000 square feet of incubator space
- Estimated Cost: \$17 million
- Construction in two phases:

2012-2016

## Conversion of Research Space to New Incubator Space

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

- Modeled after the incubator space at the Cell and Genome Sciences Building.
- A portion of each floor of renovated research space will include space dedicated to labs for research incubator companies.
- The incubator labs will be leased to start up companies to support entrepreneurial science endeavors.



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## New Hospital Tower

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

- 387,000 square feet and two parking garages
- Estimated Total Cost: \$318 million
- Construction 2012 - late 2015
- Six floors with 169 single-bed patient rooms
- Emergency Department with 36 private treatment rooms, including six psychiatric holding room suites
- 26,000-square-foot Clinical Support floor
- 46,000-square-foot Medical Education floor with auditorium, classrooms, clinical skills education and student services areas.

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## Renovate Existing Clinical Space

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

- Estimated Cost: \$163 million
- Construction mid 2014-early 2018
- 517,500 square feet space of Mechanical and Electrical Infrastructure Improvement including upgrade of the existing Heating Ventilation and Air Conditioning (HVAC), plumbing and new electrical systems.
- 162,000 square feet of existing clinical space:
  - Renovations (100,000 square feet) will allow several departments to expand into renovated space within the existing facility, including:
    - Pat and Jim Calhoun Cardiology Center, includes the interventional suite, cardiology clinic, and rehab
    - Carole and Ray Neag Comprehensive Cancer Center including new clinical trial space, Clinical/Pathology Labs, and
    - Clinical Pharmacy.
  - Renovations to 4 vacated patient floors (62,000 square feet) for clinical support and translational research.

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## New Ambulatory Care Center

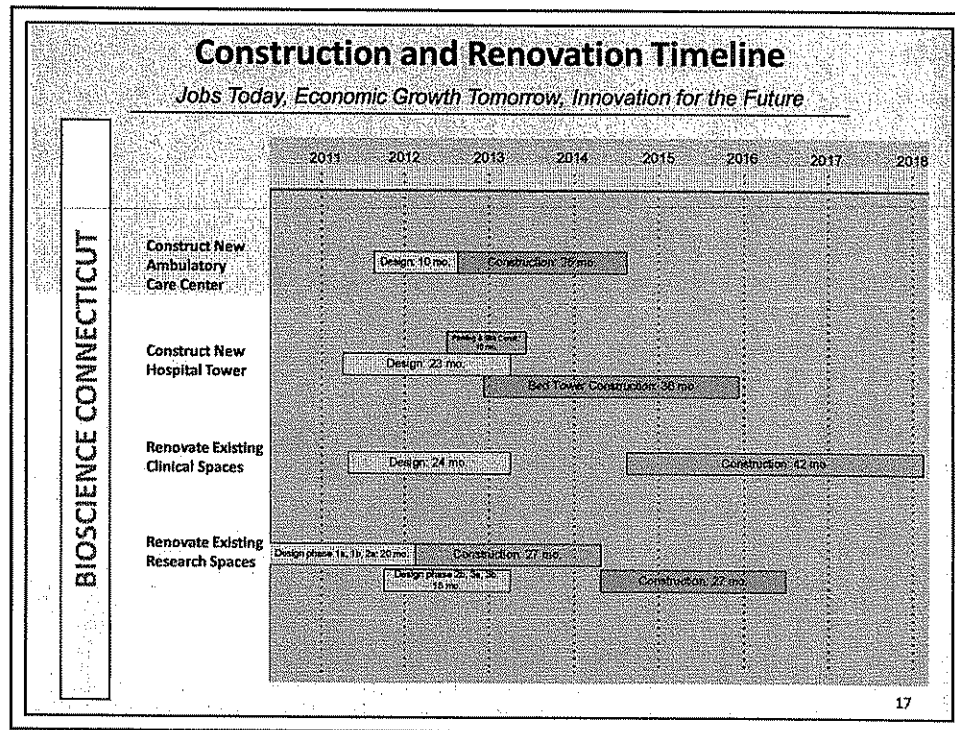
*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

- 300,000 square feet and 1,000-space parking garage
- Estimated Cost: \$203 million
- Construction: 2012-2014

Note: This facility would be built and financed by one or more private developers chosen through a competitive selection process conducted by the UCHC. The UCHC will lease back the facility from the developer.

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### BIOSCIENCE CONNECTICUT

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

#### Funding & Cash Flow Projection

	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	Funding Total
Funds from existing UC21-New JDH	25,000,000								25,000,000
Funds from existing UC21-Main Bldg	5,990,000	14,000,000	9,400,000	0	15,000,000	17,449,875	10,870,125		72,710,000
Funds from existing UC21-(PA10-104)		54,700,000	74,100,000	72,600,000	3,500,000	2,100,000			207,000,000
UCHC Funds*				28,000,000	23,194,000	6,000,000	6,000,000	6,000,000	69,194,000
New Borrowing**				58,000,000	60,000,000	60,000,000	44,900,000		262,900,000
<b>Total Funds</b>	<b>30,990,000</b>	<b>68,700,000</b>	<b>83,500,000</b>	<b>158,600,000</b>	<b>121,694,000</b>	<b>105,549,875</b>	<b>61,770,125</b>	<b>6,000,000</b>	<b>636,804,000</b>

\*Note: UCHC Funds include \$30Million in Philanthropy.

\*\*Includes \$8Million reallocated from UConn Health Network (PA10-104 for UConn related Initiatives).

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## BIOSCIENCE CONNECTICUT

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

### SUMMARY

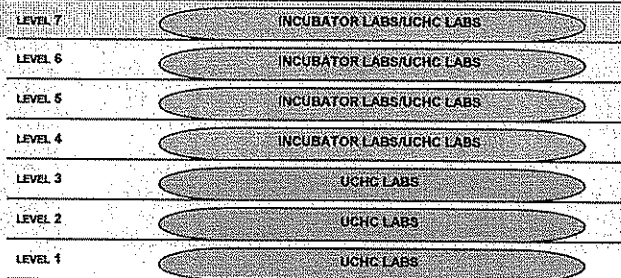
- Strengthen, create, retain and attract firms to forge a powerful bioscience industry.
- Provide an average of 3,000 construction jobs annually each year from 2012-2018, and deliver 16,400 high quality, high value jobs by 2037, first driven by construction, then by expanding operations, and finally by the growth, expansion and maturation of Connecticut's emerging bioscience sector.
- Deliver high quality jobs, raising Connecticut's personal income steadily, reaching \$4.6 billion in 2037.
- Establish a strong basis for discovery and innovation by assembling a critical mass of clinical and scientific personnel.
- Deliver significant new tax revenues to the state.
- Provide better access and increased capacity to meet the forecasted demand for health care services by graduating and retaining more physicians and dentists to practice in the state, increasing the number of UConn Health Center's primary and specialty care physicians and modernizing UConn Health Center's clinical facilities.

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## Research Lab Building Renovation Stacking Diagram

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

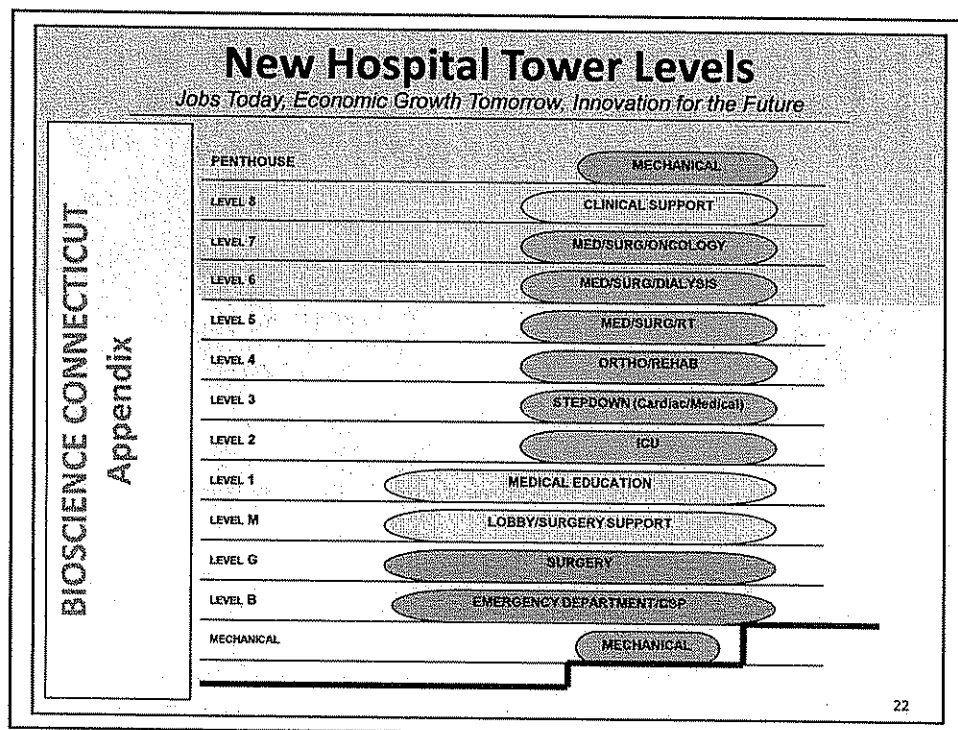
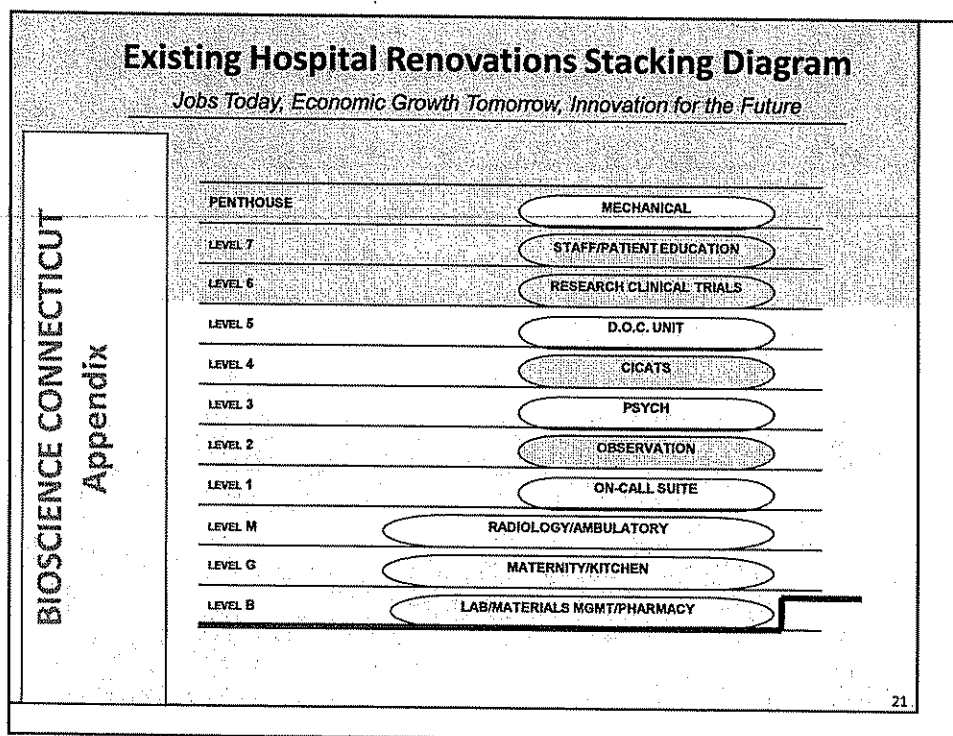
### BIOSCIENCE CONNECTICUT Appendix



Modeled after the incubator space at the Cell and Genome Sciences Building, a portion of four floors of renovated research space will include labs dedicated to incubator companies.

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## New Hospital Components

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

- Includes the Emergency Department (ED), Surgery Suite, MRI Suite, Renal Dialysis, Respiratory therapy and Inpatient rehab (orthopaedics rehab gym and workspace), clinical support and patient education space. Support services located in the new tower will include Central Sterile Processing, and a new Main Lobby.
- 169 single bed inpatient rooms
  - 28-bed Intensive Care Unit (ICU)
  - 29-bed Step-down Unit (Cardiac and Medical)
  - 28-bed Hematology /Oncology Unit
  - 28-bed Orthopedics / Spine Unit
  - (2) 28-bed Medical-Surgical Units
- Medical Education Floor (to accommodate 30% increase in medical and dental schools class size):
  - Auditorium space with bench seating, electrical and network connectivity
  - Additional medium-sized classrooms that can each accommodate 32 students
  - Additional small-sized classrooms that can each accommodate 10 students
  - Wet-lab classrooms that can each accommodate 40 students
- Site work - In addition to the normal site work for construction, existing site utilities including sanitary, storm, water, and electrical will be relocated during the initial construction phase to accommodate the construction of the new tower and parking facilities.
- Parking Garages: Two new parking garages (one for patients and visitors and a second for Emergency Department parking, staff and parking lost due to the construction)

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## New Ambulatory Care Center

*Jobs Today, Economic Growth Tomorrow, Innovation for the Future*

- Demolition of multiple existing structures that were constructed as "temporary buildings" in the early 1970's (34,000 square feet).
- Relocation of medical offices that are currently housed in outdated and inadequate medical office space in Dowling South (85,000 square feet) and a portion of Dowling North (13,500 square feet).
- Relocation of 68,000 square feet of dental clinic space from the main building.
- The addition of 60,000 square feet for new clinician scientist recruits.
- Departments that will be moved to the replacement medical offices include:
 

-Dental Clinics	-Internal Medicine
-Surgery	-Ophthalmology
-Geriatrics	-Center for Advanced Reproductive Services
-Endocrinology	-Infectious Disease
-Gastroenterology	-Clinical Research
-Medical Specialties	
- Patient centered services such as a café, retail space for a commercial pharmacy and an optical shop.

Note: This space is not intended for inpatient, outpatient surgery or same day surgery activities. These services are provided in existing space on the UCHC campus.

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**OLR Bill Analysis****sSB 1152*****AN ACT CONCERNING THE UNIVERSITY OF CONNECTICUT HEALTH CENTER.*****SUMMARY:**

This bill authorizes \$262.9 million in new bonding under the UConn 2000 infrastructure program. It increases the authorizations for two enumerated UConn Health Center (UCHC) Projects-- main building renovation and UCHC new construction and renovation by \$75 million and \$187.9 million, respectively (see BACKGROUND).

With respect to the new construction and renovation project, the bill eliminates a requirement that UConn obtain \$100 million in federal, private, or other nonstate money before (1) the bonds are issued and (2) construction commences. It retains a requirement that the State Bond Commission allocate state general obligation (GO) bonds for UConn health network initiatives before UConn may expend funds for new construction and renovation. The bill also reduces, from \$30 to \$22 million, existing GO bond authorizations for the health network initiatives by eliminating two projects from these initiatives.

The bill requires UCHC to (1) contribute at least \$69 million from operations, special eligible gifts, or other sources toward the new construction and renovation project and (2) provide for the construction of a new ambulatory care center through debt or equity financing obtained from one or more private developers.

It also extends a notification date concerning the transfer of neonatal intensive care units (NICU) beds from John Dempsey Hospital (JDH) to Connecticut Children's Medical Center (CCMC).

EFFECTIVE DATE: Upon passage

**PROJECT AUTHORIZATIONS AND FUNDING SOURCES****UConn 2000 Bonds**

The bill authorizes \$262.9 million in new bonding under UConn 2000. It does so by increasing the authorization for two enumerated UCHC projects, as shown in Table 1.

**Table 1: UConn 2000 Project Cost Increases**

<b>Project</b>	<b>Current Authorizations (in millions)</b>	<b>Proposed Authorizations (in millions)</b>	<b>Change (in millions)</b>
UCHC Main Building Renovation	\$50	\$125	\$75
UCHC New Construction and Renovation	207	394.9	187.9
<b>TOTAL INCREASE</b>			262.9

To conform to the changes in project authorizations, the bill also adjusts the annual bond limit caps for the UConn 2000 infrastructure program for FY 14 through FY 18 as shown in Table 2. Under current law and the bill, any difference between the amount actually issued in any year and the cap can be carried forward to any succeeding fiscal year. Financing transaction costs can be added to the caps.

**Table 2: Annual Bond Limits for UConn 2000**

<b>FY</b>	<b>Current Limit (in millions)</b>	<b>Proposed Limit (in millions)</b>	<b>Change (in millions)</b>
2014	\$140	\$198	\$58
2015	128.5	208.5	80
2016	119.5	199.5	80
2017	116	160.9	44.9
2018	91	91	0
<b>TOTAL</b>			262.9

**Bonding Conditions**

Under current law, the funding plan for the new construction and renovation at the UCHC includes the \$207 million in UConn 2000 bonds described above and an additional (1) \$25 million in UConn 2000 bonds for planning and design costs and (2) \$100 million in federal, private, or other nonstate money. The law also authorizes \$30

million in state GO bonds to fund the UConn health network initiatives.

Under current law, the issuance of the \$207 million in UConn 2000 bonds and \$30 million in state GO bonds is contingent on UConn securing the \$100 million in nonstate money. The bill eliminates the requirement that UCHC secure this nonstate money before issuing the bonds. Under the bill, UConn may not spend any UConn 2000 bonds for the new construction and renovation project, other than those for planning and design costs, until the State Bond Commission allocates the UConn health network initiatives bonds.

The bill also makes a conforming change to a \$3 million bond authorization to the Department of Public Health (DPH) for enhancements to the accessibility and efficiency of health care services in Hartford. Current law bars the bond commission from allocating the bonds until the (1) \$100 million in nonstate money is available and (2) the commission has allocated the UConn health network initiative bonds. The bill eliminates the requirement that the bond issuance be contingent on the \$100 million in nonstate money.

#### **NEW AMBULATORY CARE CENTER**

The bill directs UCHC to provide for the construction of a new ambulatory care center through debt or equity financing obtained from one or more private developers who contract with UConn to build the center.

#### **UConn HEALTH CENTER NETWORK INITIATIVES**

Under the law, the UConn health network initiatives include:

1. a simulation and conference center on the Hartford Hospital campus that uses new technologies and simulated care settings to educate and train healthcare professionals;
2. a Connecticut Institute for Primary Care at the Saint Francis Hospital and Medical Center campus that is intended to increase the number of primary care providers in the state;

3. an institute for clinical and translational science (for the translation of scientific discoveries into practical applications) at UCHC;
4. a comprehensive cancer center to expand clinical trials and advance patient care in the Hartford region;
5. a UConn-sponsored health disparities institute intended to enhance research and the delivery of care to minority and medically underserved people;
6. the Connecticut Institute for Nursing Excellence at the UConn School of Nursing that will explore ways to enhance the recruitment, education, and retention of nurses and nursing faculty;
7. at the Hospital of Central Connecticut, (a) the planning, design, land acquisition, development, and construction of a cancer treatment center constructed by, or in partnership with, the hospital and located entirely within the City of New Britain, (b) renovations and upgrades to the hospital's oncology unit, and (c) a permanent regional phase- one clinical trials unit at the hospital, provided that a certificate of need is approved for this purpose; and
8. patient room renovations at Bristol Hospital.

The bill eliminates two of these initiatives: the Connecticut Institute for Nursing Excellence and the institute for clinical and translational science and \$8 million in related bond funding. It specifies that \$5 million is allocated for the comprehensive cancer center and the UConn-sponsored health disparities institute.

#### **NEONATAL INTENSIVE CARE UNIT BED TRANSFER**

Current law establishes provisions for transferring from JDH to CCMC, licensure and control of 40 NICU beds. The bill extends from December 30, 2010 to June 30, 2011 the time by which CCMC and JDH

must notify the Office of Policy and Management secretary (1) jointly, of their intent to proceed with NICU transfer or (2) jointly or individually, that they will not pursue it.

## **BACKGROUND**

### ***Legislative History***

The Senate referred the bill to the Finance, Revenue, and Bonding Committee on May 17. On May 19, the committee reported out a substitute bill that replaced the original bill (File 339), which was a study bill.

### ***PA 10-104***

PA 10-104 provided funding, under certain conditions, for the (1) construction of a new bed tower and renovation of academic, clinical, and research space at UConn's JDH and (2) development of regional health network initiatives.

The total cost was \$362 million. The act authorized the issuance of \$237 million in new state bonds of which \$207 million would be issued under the UConn 2000 infrastructure improvement program. It also reallocated \$25 million in existing UConn 2000 funds to pay for planning and design costs of the new JDH bed tower and required a contribution of \$100 million in federal, private, or other nonstate money. The act prohibited the \$237 million in new bonds from being issued and construction of the bed tower from commencing until the \$100 million is received. It established June 30, 2015 as the deadline for receiving the \$100 million.

UCHC new construction and renovation" means the planning, design, development, financing, construction, renovation, furnishing, equipping, and completion of clinical, academic, and research space at JDH. It specifically includes the construction of a new bed tower, increasing the number of licensed beds from 224 to a maximum of 234, including newborn bassinets.

The act also established provisions for transferring, from JDH to CCMC, licensure and control of 40 NICU beds. It conferred the

benefits of an enterprise zone on certain businesses in Hartford and parts of Farmington, New Britain, and Bristol, and it required UConn to report biennially on the progress of the health network initiatives and the JDH construction and renovation.

**COMMITTEE ACTION**

Higher Education and Employment Advancement Committee

Joint Favorable

Yea 19 Nay 0 (03/17/2011)

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 31 Nay 19 (05/19/2011)



## **BIOSCIENCE CONNECTICUT**

### *Frequently Asked Questions:*

#### **How does Bioscience Connecticut benefit Connecticut?**

This initiative creates thousands of jobs in the short term and billions of dollars of economic activity in the long term. It's the kind of bold, forward-thinking proposal that will put Connecticut at the forefront of the bioscience industry – one of the key growth industries of the future.

#### **How many jobs does this entail? What kind of economic activity will this stimulate?**

Bioscience Connecticut will create 3,000 construction jobs annually through 2018. It will generate a \$4.6 billion increase in personal income and create 16,400 jobs through 2037. And it is expected to double federal and industry research grants to the region, from \$100 million to \$200 million.

#### **How is Bioscience Connecticut different than previous proposals?**

It is bolder. It maximizes the economic benefits by producing more jobs in the short and long terms and by making more of an investment it sustains economic growth in a tangible way that will enable Connecticut to become a leader in bioscience research and development.

#### **From a health care perspective, what are the benefits?**

Our state will train more physicians and dentists – and keep them practicing in Connecticut – addressing the current and expanding shortage of primary care doctors. According to a recent report from the Association of American Medical Colleges, a national shortage of 45,000 primary care physicians is predicted by the end of this decade.

Improving the quality of our public medical and dental schools will attract top-notch research and clinical talent to Connecticut – and their intellectual capital will result in bringing more federal and industry grants to our state.

#### **Why should this initiative move forward now, so late in the legislative session?**

- The governor has said that his first priority was to get the State's financial house in order and that once that was completed, his administration needed to focus immediately on creating jobs and building Connecticut's economy. Connecticut can't afford to wait.
- There have only been 11 months in the past 20 years of positive job creation. We must do better starting now.
- We need to start now to lay the groundwork for Connecticut to lead the nation in bioscience, discovery, innovation, and commercialization.

## **PUBLIC HEALTH/WORKFORCE DEVELOPMENT**

### **How does Bioscience Connecticut address the need for more physicians and dentists in the state?**

Connecticut has an aging population in need of more healthcare services and a significant percentage of its physician/dental workforce nearing retirement. These looming changes, coupled with the impact of health care reform, will increase demand for health care services.

Bioscience Connecticut increases the combined medical and dental school classes by 30 percent over the next four years and increases the number of those graduates practicing in Connecticut by introducing a debt-forgiveness program for students who choose to pursue primary care careers in Connecticut.

### **How does this initiative help make UCHC a top tier medical/dental school?**

A significant factor in medical school rankings is the amount of research grants obtained and research program quality. This initiative responds directly to those factors by expanding and improving the quality of research facilities and attracting more clinician scientists to double the amount of federal and industry research grants.

Highly ranked medical/dental schools have strong research programs fully integrated with their education and clinical care programs.

### **Why is it important to have highly ranked medical/dental schools?**

Highly ranked medical/dental schools attract significant research dollars and outstanding basic and clinical scientists who provide the intellectual capital to fuel bioscience discovery, innovation, tech transfer and commercialization to strengthen existing Connecticut businesses, create new companies and attract businesses to our state.

Highly ranked medical/dental schools also attract and produce highly qualified physicians and dentists who improve the public's health and provide first rate clinical care for Connecticut's citizens.

### **Why are a new hospital tower and renovations needed?**

While the care delivered at the John Dempsey Hospital is exceptional, the hospital's facility is outdated and too small, with too many double-bedded rooms and too few medical surgical beds.

When the state Office of Health Care Access approved the Certificate of Need (CON) in December, it clearly determined that the new tower and some additional beds were needed. The CON provides 10 additional beds to the UConn Health Center's license and transfers 40 Neonatal Intensive Care beds from the UConn Health Center to Connecticut Children's Medical Center.

### **How does Bioscience Connecticut address the expanding need for outpatient care?**

Bioscience Connecticut includes the construction of a privately financed outpatient care facility (Ambulatory Care Center) to house the UConn Health Center's expanded faculty practice group. The focus will be both primary care and specialty services.

### **Does John Dempsey Hospital "cherry pick" insured patients, relegating other area hospitals to care for a disproportionate share of the uninsured?**

No. FY10 Medicaid inpatient data indicate that JDH ranks among the top four hospitals in the state in the percentage of total patient days provided to Medicaid patients, notwithstanding its location. JDH's percentage (25%) exceeds the percentage of both St. Francis Hospital (23%) and

Hartford Hospital (20.5%). And, while Connecticut's private physician practices typically accept a minimal amount of Medicaid patients, Medicaid patients comprised more than 15% of the UConn Medical Group patient visits in FY 10.

**Will JDH's new patient tower have a detrimental impact on Hartford area hospitals?**

No. As a result of an aging population in the Hartford region, a 548 deficit of staffed licensed beds is projected by 2016 and a 655 staffed licensed bed deficit is projected by 2020. When JDH's historical market share of 7.6% is applied to the projected staffed licensed medical/surgical bed deficit, the result is an additional demand for 42-50 staffed licensed beds for JDH. With the completion of JDH's new patient bed tower in 2016, the ten bed increase in JDH's total staffed licensed beds (from 224 to 234) and the related increase in JDH's medical surgical beds (from 119 to 169) will be consistent with JDH's historic 7.6% market share in the region. Over 90% of the projected staffed licensed bed shortage can be addressed by the other hospitals in the region. These data were the basis for OCHA's approval of JDH's CON application in December.

## **COST/FINANCING**

**How will Bioscience Connecticut be funded?**

- \$254 million in new bond funding
- \$203 million in private financing
- \$69 million in Health Center resources
- \$338 million in previously approved bonding, including \$305 million in UConn 2000

**Given the size of the inherited state budget deficit and indebtedness, how is Bioscience Connecticut affordable?**

The governor first had to address the state's structural financial challenges. This was accomplished in partnership with the General Assembly. The governor's highest priority has been to address Connecticut's future by creating jobs immediately. Bioscience Connecticut achieves this by undertaking construction and renovation of UConn Health Center facilities and promoting long term economic development by making the state a leader in bioscience discovery, innovation and commercialization. It is important to note there are no additional costs in the next two years.

**What is the advantage to moving forward with Bioscience Connecticut now?**

Connecticut once led the way in manufacturing. We need to start now to lay the groundwork for Connecticut to lead the nation in bioscience, discovery, innovation and commercialization. This can't wait: There have only been 11 months in the past 20 years of positive job creation. We must do better starting now.

**What can the state expect in return from its additional investment in the UConn Health Center?**

Bioscience Connecticut was designed to attract a critical mass of bioscience clinician scientists and to double federal and industry research grants which will drive new discoveries that fuel innovation, tech transfer and commercialization to strengthen existing businesses and attract and create new ones.

This initiative will also increase the number of medical and dental school graduates and retain more of them to practice in Connecticut, increasing access to care.

**What happened to the contingency of raising \$100 million in non-state funds for the new patient care tower and UConn Health Network initiatives?**

As the governor said last December when UConn learned it was not awarded the federal grant, a renovated and expanded UConn Health Center is critical to our state's economic revival and benefits the state from a public health and workforce development perspective.

This new initiative recasts existing commitments and provides additional investment that will produce new construction jobs immediately, high-quality and high-value bioscience based jobs for the long term, and greater personal income and state revenues.

**Is reallocating UCONN 2000 funding an option?**

UConn 2000 is an extremely successful program, achieving all of the state's goals (enrollment growth, student quality and diversity, increased private investment). It makes no sense to cut funding for this highly successful program.

In fact, UConn 2000 and 21st Century UConn funding have already supported several important initiatives on the UConn Health Center campus, including the recently opened Cell and Genome Sciences Building.

**Will Bioscience Connecticut ensure the UConn Health Center's financial stability?**

Although not the primary purpose of this initiative, the Health Center's finances will be stabilized by investing in clinical facilities, expanding research and increasing enrolment in the medical and dental schools.

**HARTFORD/SPRAWL**

**Shouldn't UConn's medical and dental schools be relocated to Hartford?**

No. The full potential of an academic medical center is only achieved by fully integrating its education, research and clinical care programs in one location. Virtually every highly ranked academic medical center is structured this way.

Relocating one or more elements away from the UConn Health Center's campus would diminish the quality of the education, research and clinical care programs. A relocation would diminish the schools, reduce access to vital healthcare services and pose a major economic setback for the region at a time when the strengths of the UCHC can and should be harnessed for health care advances and bioscience job creation.

**What does Bioscience Connecticut do to help the City of Hartford?**

It helps Hartford by allocating \$5 million of state support directly to both Hartford Hospital and to St. Francis Hospital and Medical Center, and by expanding Connecticut Children's clinical program and improving its finances. It also allocates \$3 million to Hartford community health organizations and locates a new Health Disparities Institute in the capitol city, as described in the 2010 UConn Health Network initiative.

**Would this initiative contribute to sprawl?**

No. This initiative supports the principles of smart growth. All proposed construction and renovation will take place on the UConn Health Center's existing campus, expanding and improving existing facilities and using existing infrastructure. This initiative is consistent with the state plan of conservation and development.

**Will there be access to the UConn Health Center from the New Britain-Hartford busway?**

With its Farmington location, midway between Hartford and New Britain, UConn Health Center patients and employees will be able to easily access the new busway with the addition of a bus connection.

## **REGIONAL/STATE BENEFITS**

**Is Bioscience Connecticut about providing more support to UConn?**

No, this initiative is not about doing more for UConn. It's about doing the right thing for the state of Connecticut. This is about how best to produce jobs today and generate sustainable economic growth based on bioscience discovery, innovation, tech transfer, commercialization and strengthen existing businesses and create and attracting new ones.

It is important to note that less than one quarter of the UConn Health Center's operating budget comes through state support. The remaining 77 percent is generated by employees through clinical revenues, grant support and more. The UConn Health Center has tremendous untapped potential to serve as an economic engine of the state and serve the public health needs of citizens of Connecticut.

**How does Bioscience Connecticut help other hospitals in the state?**

This initiative is about using Connecticut's only public academic medical center, a unique public asset, to make Connecticut a leader in bioscience, to produce jobs today and generate sustainable economic growth for our future – based on discovery, innovation, tech transfer, commercialization and strengthening existing business and creating and attracting new ones. The UConn Schools of Medicine and Dental Medicine are responsible for overseeing the training of almost 700 residents who provide patient care in local hospitals and community settings in more than 20 communities across the state. The residency program sponsored by our medical and dental school provides more than \$100 million in federal graduate medical education funds to area hospitals each year.

By graduating more doctors and dentists and by providing a financial incentive to practice in Connecticut, the Bioscience Connecticut proposal will lift all of the hospitals in the Hartford region, as well as medical offices and community health centers, throughout the state.

It is important to note that this proposal contains all of the community-based initiatives that were previously approved as part of the UConn Health Network. These include financial support for innovative programs at Hartford Hospital, St. Francis Hospital and Medical Center, Bristol Hospital, the Hospital of Central Connecticut and Hartford-based community health clinics.

